Czechoslovak Republic. laws, statutes, etc.
910.33(437)
C98f

THE FIRST CZECHOSLOVAK ECONOMIC FIVE-YEAR PLAN - [act].

CZECHOSLOVAK MINISTRY OF INFORMATION
AND PUBLIC CULTURE

1949/ 749

INTRODUCTION

by

THE PRIME MINISTER

MR ANTONÍN ZÁPOTOCKÝ

Honoured National Assembly!

Ladies and Gentlemen!

On behalf of the Government of the Czechoslovak Republic, I present to you to-day the Government Bill of the First Five-Year Uniform Economic Plan of Development of the Czechoslovak Republic.

Section 1 of this Bill defines the purport of the Plan: the development and conversion of the Czechoslovak economy. Its aim: raising the standard of living of all sections of the working population. The means thereto: raising the productivity of labour. Its consequence will be: the restriction of remaining capitalist elements and their elimination from all sectors of the national economy, and the further progress of the Czechoslovak people's democracy towards socialism.

The necessity of this expansion and conversion of our economy was stressed already a year ago by my predecessor, the present President of the Republic, Mr Klement Gottwald, at a session of the Central Planning Commission on October 10, 1947, in these words: *"If we were to maintain our present unsatisfactory industrial structure, we should have to face the fact that our economy would be exposed to dangerous shocks, and that we should be unable to ensure its planned expansion, or to raise the general standard of living. The expansion and transformation of industry is hence the prime condition for raising the standard of living. By means of this conversion we shall,*

at the same time, facilitate the future growth of Czechoslovak industrial capacity on a firmer and sounder basis."

If I give particular emphasis to the President's statement that the expansion and rebuilding of our industry is an essential and indispensable condition of a raising of the standard of living, I do so in order to dispel at once any fond illusions that a raise in the standard of living may be regarded as a necessary corollary or, even, ought to preceed the successful implementation of the Plan. The exact opposite is the truth: in order to make it possible that our material and cultural level might be raised, it will first be necessary to fulfil the Plan, i. e. to rebuild industrial, and agricultural production, to attain a higher level of technique, to bring about an increased volume of production in the factories and in the fields, to improve efficiency standards and the productivity of labour, thereby increasing the national product, and then to distribute this national product justly and fairly, so that we might henceforth live better, more contentedly and more joyfully.

This task of expansion and rebuilding will not be achieved just because of the desire to see it done. Its realisation will cost a great deal of work and money. If we want to improve and expand our economy, we must invest in it, both work and money.

I should therefore like to draw your particular attention to part IV, division ii, section 24, of the Bill headed "Investments", which reads: "For the purpose of ensuring and safeguarding economic development there shall be invested over the period of the Five-Year Plan a total sum not exceeding 336.2 milliard Kčs."

This sum is to be distributed as follows: a) industry 131.9 milliard, b) agriculture 26.8 milliard, c) building 4.6 milliard, d) transport 52.9 milliard of Kčs.

This investment in key-sectors amounts to 216 milliard, 200 million Kčs; adding thereto the sum of 47.1 milliard

Kčs cited in the Bill under j) as investment of the public administration for the construction and maintenance of roads and bridges, hydro-technical projects, and other public works, we get a total *production* investment of 263 milliard 300 million Kčs.

In addition, the investment programme comprises allocations to social, cultural and other services and institutions, as follows: e) commerce and tourist traffic and travel, 5 milliard, f) housing 39.3 milliard, g) social welfare 8.1 milliard, h) health services 10.3 milliard, i) cultural facilities 10.2 milliard Kčs; that is a total of 72.9 milliard Kčs.

Adding the two portions, we obtain the former global investment target of 336.2 milliard Kčs spread over 5 years, or, 67 milliard Kčs annually.

In order to make this yearly investment programme of 67 milliard possible, adequate financial means must be procured.

The expansion of the nations economy is in this direction limited by the same considerations as that of private enterprise. If someone wants to build himself a house, he has to have the money to do it with; this money may be either capital, or savings, or he can borrow it.

Investment capital may be accumulated either from the product of the labour of others—in which event, it is necessary to be able to exploit others; or from the savings of one's own work—in which event, it is necessary to save and do without many of the things that one might afford otherwise if the plan to build a house of one's own were to be given up.

Finally, the money may be procured on credit. But if someone builds with borrowed money, he must save, and do without, to an even greater extent, in order to pay back not only the borrowed capital, but interest thereon as well.

A nation's economy is governed by the same principles.

We can build: 1. with our own capital; 2. with the profits and savings of our work; 3. with foreign loans and assistance.

Now our Republic does not possess savings that could be invested in the work of reconstruction.

We inherited from the old order of society and the occupation millions of debts, and worthless shares and bank deposits. We do not want to exploit the labour of others, and we shall not adopt the way of imperialist subjection of other nations and the looting of their property.

We might borrow; there was, for instance, the tempting offer of the Marshall Plan. We refused this offer, because we will have nothing to do with money-lenders. The interest demanded on the loans under the Marshall Plan took the form of a surrender of our political sovereignty and economic independence: we should have had to reconstruct not in accordance with our own needs and plans, but in accordance with the plans and requirements of our creditor.

We can observe the results of such a reconstruction programme, carried out on someone else's account and to someone else's orders — say, in France. Some of those orders were, a restriction of the French film-industry, which resulted in thousands of cultural and technical workers becoming unemployed; a restriction of the production of automobiles, airplanes, etc., causing the dismissal of yet other ten thousands of workers in these industrial sectors — the only reason being the consideration that French production should not interfere with her capitalist rival's.

To accept American loans, then, means, in effect, to become a vassal of American capital, and of American capitalists. And this involves the final surrender of all plans of industrial expansion and of a raising of living and cultural standards.

We do not want to give up that aim. Therefore, only

one path remains open to us: to finance the expansion and rebuilding of our economy with our own labour, our own financial resources, that is, our own savings, and—I say it without hesitation—sacrifices. This fact I should like to bring to the notice of you, Deputies of the National Assembly, with particular emphasis.

During your debates of the Five-Year Plan Bill never lose sight of this one and indisputable truth—that the most resounding phrases and the most hopeful statistics of the Plan will not by themselves raise the standard of living.

In order to make a raising of the standard of living possible, it will be necessary to fulfil the tasks set by the Five-Year Plan not in some, but in all sectors of production. Both work and money will have to be invested in reconstruction. The productivity of labour must be improved. There will have to be greater economy both in nationalised industry and in the public administration. The greatest possible proportion of people must be made to take their part in the production process and their capacities and abilities must be fully and properly utilised. In short, the realisation of the Five-Year Plan is a matter of the honour and industry of the entire nation. The experiences of the Two-Year Plan are now already at our disposal, and we must learn their lessons.

Why has the general standard of living not been raised to the extent which the Two-Year Plan envisaged? Because the Two-Year Plan was not completely fulfilled in its entirety and in *all production sectors.*

I should like to direct your attention to the first chapter of the Government Memorandum, 'Balance-sheet of the Two-Year Plan'.

This balance shows that we had planned correctly. Production targets in industry have not only been met, but will, in the majority of industrial sectors, be exceeded.

According to the statistical returns, the Two-Year Plan

in industry (not including the food industry) was realised in 18 months to the extent of 101 per cent, in July to 104.5 per cent, in August to 101.1 per cent. The basic task of industry under the Two-Year Plan, i. e. to attain the production index of 110 as against 1937, was fulfilled also. Already in May 1948, the industrial production index was 110.9 per cent without the food industry, and 105.4 per cent including the food industry.

Of particular value are the results in mining, where pre-war production levels were exceeded by wide margins: in the case of hard coal by 15 per cent, of lignite by 36 per cent, of iron by 2 per cent, and of steel by 20 per cent. In the engineering industries, also, we are fulfilling the Plan to 100 per cent, and in many sectors we have reached pre-war production, as in the manufacture of locomotives, tractors, automobiles, etc. Other industries which have over-fulfilled their targets include the leather and rubber industry, glass, paper, timber, stone, clay and ceramics; the power, chemical, textile and clothing sectors are not far short of 100 per cent.

As far as we can judge at present, the following industrial sectors will be working above pre-war level on completion of the Two-Year Plan: mining by 18 per cent, power by 133 per cent, iron and steel by 10 per cent, engineering by 30 per cent, chemicals by 14 per cent, and ceramics und rubber by 4 per cent. Production per head of population will at the end of the year be 22 per cent above the pre-war level.

The position in transport is similar. The pre-war level has already been exceeded in rail transport, in spite of reduced rolling stock and locomotives. The number of persons carried by passenger trains is far in excess of pre-war. Road transport capacity—where the targets of the Two-Year Plan are being exceeded by as much as 40 to 60 per cent—is far in excess of pre-war.

The same success cannot be recorded in the case of river and air transport; postal transport, on the other hand, is meeting its target by a high percentage.

A quite different situation confronts us, however, in agriculture and the food and building industries. The planned targets were not met in any of these sectors, and this failure reacts on our standard of living.

In view of the fact that our grain harvest in 1947 amounted to only 1,850,000 tons instead of the planned 2,750,000—only 657,800 tons were moreover delivered to the public food administration, as against 1,059,200 in the preceding year—it is not surprising that neither the planned rations nor the planned standard of living could be maintained. If in spite of this we did not suffer famine, we owe this fact to the help rendered by our ally, the Union of Soviet Socialist Republics, and to our own industrial production, which, by fully implementing and in many cases exceeding its targets made it easier for us, to make up for the agricultural deficit, to export more and thus obtain the necessary resources for an increase of food imports.

Even more catastrophic than the failure of the grain harvest was the failure of animal production. The production of beef in the first half of 1948 amounted to only 46,327 tons instead of the planned 80,000 tons—or a mere 58 per cent; of pork, 71.382 instead of 133.000 tons, or 54 per cent; of milk, 10 million instead of 16 million hectolitres, or 62 per cent. It is clear that imports of meat and fats, though large, could not make up for these deficits.

The total damage in agriculture may be assessed at approximately 15 milliard Kčs. It will be readily understood that a loss of this order must necessarily exert an unfavourable influence on rations and on the standard of living.

A similar situation confronts us in building. If we consider that fulfilment of the 1947 targets for the entire

sector was only 70 per cent, and in house-building only 47 per cent, that further instead of the projected 61,000 only about 29,000 flats were actually erected, we realise that the housing crisis could not be reduced, but on the contrary, was bound to aggravate. Excuses for the failure of these sectors to realise the Plan can no doubt be found. Due regard should be given to unfavourable wheather conditions, material and labour shortages, and so on. Nevertheless, the fact must not be overlooked that the private enterprise element which predominates in this sector is in many respects to blame for the failure to fulfil the planned targets.

It is a further undeniable fact that reactionary capitalist elements based their sabotage schemes on these failures to realise the Plan and on the grave disturbances wrought thereby in our economy. Those circles which had an overwhelming share in further increasing the consequences of the harvest crisis by means of sabotage, black market transactions and non-delivery, hoped and planned to exploit the famine which they expected to result from the harvest failure, for their own criminal ends.

They did not succed. They failed, precisely for the reason that the idea of planning proved to be basically sound. The damages inflicted on our agriculture and supply by the harvest failure, by reactionary attempts to produce economic chaos, by sabotage, capitalist cupidity and black marketeering, could be, and to a large extent were, made good by harder work and by the voluntary efforts of honest citizens in town and country.

We had to put up with a number of shortages, but we did not fall a victim to famine and its attendant misery and despair. To-day, at the end of the Two-Year Plan, the standard of living of our nation and, in particular, of the working community, is far higher than during periods of

abundant harvests and general prosperity under the old capitalist economy.

We have no unemployment. In the 'First Republic'* four years after the end of the Great War, in January 1922, 112,323 persons were registered as unemployed; in December of the same year, this figure had risen to 436,710.

You may ask: what was the standard of living of this half-million people, manual and office-workers, who wanted to work, but could not find work? What was the standard of living of their children and families? What were their rations of meat, fats and bread?

Here, even during a period of shortage, there are no beggars or tramps. During the 'First Republic'* at time of maximum economic expansion, we stumbled over tramps on each step, beggars could be seen at every corner.

How many workers here enjoyed paid holidays in the third year after the Great War and what was the duration of these holidays? How many workers, in the third year after the Great War, could afford to spend their holidays in summer resorts, spas, let alone at the sea-side? To-day, every employed person, not excluding persons in domestic employment, is entitled to fully-paid annual holidays. 200,000 workers took part this year in this country in the holiday recreation schemes of the Revolutionary Trade Union Movement (ROH) and the Union of Czechoslovak Youth (SČM).

I do not wish to enumerate all the differences between the old order and ours. We can not only state, but prove, without exaggeration, that the over-all standard of living of the working community has in spite of all difficulties, obstacles, and shortages, the existence of which we do not

---

* i. e. the first period of an independent Czechoslovak state, from the liberation in 1918 till Munich. The interim period Munich to March 15, 1939, is usually referred to as the "Second Republic". — Tr.

deny, and which we must overcome, substantially improved. It has so improved, because we have made the first breach in the bulwarks of the old capitalist order of exploitation of man by man, because we have nationalised the greater portion of production and because we have been enabled thereby to lay the foundations for economic planning.

The results of the Two-Year Plan are a plain lesson that economic planning together with the nationalisation of production yields success and gives good results. They further teach us, on the other hand, that in the sphere of private enterprise planning is liable to fail, and faces grave obstacles and defects. The reason is clear—control and supervision is far more difficult, and the undermining influence of reactionary capitalist elements far more easily applied in private than in nationalised economic enterprise.

Sabotage by reactionary capitalist elements can, as we have seen, cause us considerable difficulties in spite of the realisation of carefully prepared plans, and cause painful, though temporary, damages and disturbances.

This lesson is implicit in the realisation of the plan in the nationalised sectors of industry, and in the failure to realise the plan in those sectors where private capitalist elements predominated, or dominated a crucial aspect of production. These lessons constituted a valuable guide in the preparation of the Five-Year Plan, and will be even more valuable in its practical implementation.

One thing must be clearly recognised: if we want to fulfil the Five-Year Plan and attain the goal envisaged therein, we must mobilise all necessary means and forces for its implementation. The Five-Year Plan envisages the gradual raising of the national income over the period 1948 to 1953 by 48 per cent, that is not less than one-half over and above our present national income.

If this increase is to be achieved, and if the plans for

raising the material and cultural level of the people are to be fulfilled, the total industrial product must be increased by 57 per cent. This means the following increases in the individual production sectors: engineering by 93 per cent, mining by 35 per cent, power by 52 per cent, iron and steel by 49 per cent, chemicals by 62 per cent, glass by 12 per cent, stone, clay and ceramics by 59 per cent, woodworking by 26 per cent, textiles and clothing by 68 per cent, paper by 41 per cent, leather by 43 per cent, sugar-refining by 17 per cent, spirit-distilling by 6 per cent, beer-brewing by 68 per cent, flour-milling by 30 per cent, and food processing by 79 per cent. Agricultural output is to be raised altogether by 16 per cent (in comparison with the below-average year 1947 by 37 per cent), and building, if the Plan is to be fulfilled, by as much as 130 per cent.

These mere figures demonstrate amply the magnitude of the tasks which the Five-Year Plan imposes upon us. It is, however, absolutely essential that they are fulfilled, if the material and cultural level of the people is to be raised as envisaged in part III of the Bill.

Here I should like to point out the targets listed in the Bill in the spheres of social, cultural, health and educational care and the material level by no means exhaust the list of demands, even of justified demands in these fields. The members of the Economic Council and of the Planning Commission could tell us how many justified demands in this field were put forward and how many of them, though their importance was fully acknowledged, could not be included in the Bill and cannot be realised under the Plan. You yourselves, when you come to deal with the Plan in Committee, will have to face that same difficulty.

If you allow yourselves to be influenced unduly by the narrow interests of your environment, your sphere of action, region or position, you will fail to solve your task.

It is not possible within five years to do everything that ought to be done, that we should like to do, or that should have been done long ago. The neglect of decades cannot be made good in a moment.

Thus, the Five-Year Plan is not a final plan, which will do away with all our exisiting shortages and difficulties. The Five-Year Plan is a plan for the expansion and conversion of our economy, aiming to remove the most urgent defects, but intended chiefly to lay the foundations and the basic facilities which will make it possible really to rebuild our fair country and all its institutions that aim towards safeguarding the material, social, medical and cultural interests of our people, step by step, so that at long last, life here might be truly happy, joyful and content.

The prime tasks of the Five-Year Plan, therefore, will be the widest mobilisation of labour and the raising of the productivity of labour.

It may be said that this is an old and hackneyed song, which we have been repeating *ad nauseam* for the past three years.

Yes, my friends, we have been repeating this song for three years now, and we shall repeat it over and again, until we succeed in convincing and re-educating, and I do not hesitate to say, compel, where need be, everyone to take this song about the necessity of work to heart and put it into action. We shall have to face obstacles, we shall not be able to realise fully our plans for the building of a new society, nor to ensure decent living standards to all members of the working population, until we have convinced everyone of the necessity of work, and have compelled those who do not want to be convinced to fulfil their duties.

We have given every one the right to work. We have confirmed this right in our Constitution and we have abolished unemployment. But every right implies certain

obligations. The right to work carries with it the duty to work. Those who try to avoid fulfilling this duty must be compelled thereto.

This is no punishment, no force nor terror, but the free democratic right, of a state which guarantees the *right* to work, to demand unconditionally the fulfilment of the *duty* to work from each and every citizen.

We have given and ensured every one's right to a decent existence. We have guaranteed wages, rations, and social welfare. On the other hand, we have imposed on every one the duty to keep the peace and order of the State, to take his part in peaceful reconstruction and to defend the Republic. The individual's right and freedom to commit crimes against the interests of the community is no part of the conception of the people's democracy. It is a crime to-day to make common cause with the enemy, to spread false reports and rumours in order to create panic, to idle when work is required, to profiteer on scarcity and withdraw goods from the market which are essential for the maintenance of the food supply, not to deliver to the proper authorities what the harvest has provided, to waste and idle away ineffectually the working hours for which wages are paid, not to fulfil the obligations arising out of a contract of employment or service.

In speaking of the necessity of raising the productivity of labour, I should like to correct the mistake of all those who imagine that this question of raising the productivity of labour is a matter of the workers alone, that it is up to the workers, and only the workers, to work. That is not so. The question of productivity concerns us all, the entire nation. We need to raise the productivity of labour not only in the factories, but in shops, offices, and in agriculture. Do you think that the productivity of labour is not reduced and undermined by the shopkeeper who spends his day in the shop cursing and grumbling that he has

nothing to sell: if instead of grumbling and grousing, he'd go and work where he's needed, there would be more to sell sooner.

We are trying our best to keep the promises which were given to the broad masses of the population. We do not destroy, or interfere with the livelihood of those who work honestly. We have guaranteed and safeguarded wages and salaries, incomes and land. But we have always declared: We cannot and shall not tolerate that individuals, whether in work or service, in business, trade, private enterprise or agriculture, place their selfish gain and interest above the interests of the community, that for their own personal benefit they damage the cause of the community. We shall find ways and means to guard our people's democratic Republic, the realisation of our Five-Year Plan and our way towards socialism, against all efforts of saboteurs, traitors and panic-mongers.

We need to work in order to build up our economy, and in order to work we need peace, both inside and outside. We shall endeavour with all our strength to keep that peace. We are endeavouring to maintain friendly relations with all, and allied relations with all those who, as we, build the people's democratic order, try to abolish war-mongering and contribute to world peace.

In building up our economy we cannot rely on the natural resources of our own country. We are in need of economic relations, of trade and cooperation with other countries. No one is excluded from entering into trade relations with us. We trade with both East and West. Whoever maintains economic and trade relations with us, is not likely to lose thereby.

It is no secret that for our trade and economic relations we find greater understanding to-day in the East than in the West. It is no fault of ours that, for instance, the United States of America create difficulties for us and hold back

deliveries, often even those paid for in advance in dollars. Such measures may cause temporary difficulties, but cannot arrest the constructive work of building up our economy, nor our progress towards socialism.

This policy of isolation, boycott and economic blockade will in the end turn against its inventors; already the signs of the coming economic crisis are gathering on their horizon. The events of day-to-day convince us ever more clearly that we have chosen our friends wisely and well. The best proof of this are our economic relations with the Soviet Union and the people's democratic nations. Import and export turnovers are growing. The volume of mutual trade in new and wider agreements expands; the total turnover of our foreign trade with the Soviet Union in the coming year will amount to 20 milliard Kčs; under a recently concluded agreement, the USSR will deliver to us 300,000 tons of wheat, 25 million kg of fats and 25 million kg of meat, which will contribute materially to the safeguarding of our food rations and the improvement of our supply situation. Thus, the propaganda drive of our foreign enemies and the rumours spread by their agents at home, have missed their aim once again. You all know the wild rumours that circulated abroad and at home concerning President Gottwald's Crimean trip: the Republic was to be annexed by the Soviet Union, we should be drawn into the struggle for Berlin, the President would not return, and so on. Well, the President is back; the Czechoslovak Republic remains an independent, sovereign state; we shall not be drawn into a war for Berlin, for the simple reason that there will be no such war. The speculations of the war-mongers, all their attempts to create a war-hysteria, to spread panic and disquiet in order to make peaceful constructive work impossible, will be foiled. We shall not be turned back from our path of peace, of peaceable and forceful reconstruction, by anyone or anything. We shall complete the

Two-Year Plan; we shall begin to fulfil the Five-Year Plan. Let the forces of reaction at home and abroad vent their anger as they will, let them cry and rage and curse that we're going to wreck and ruin! We shall not be made to lose our temper. We shall mobilise all our labour and financial resources in order to bring the Five-Year Plan to a successful conclusion. Our development will go on. There will be no catastrophy, but the flowering of a new economic epoch, of Socialism.

In presenting the Five-Year Plan Bill, I should like to ask you, ladies and gentlemen, Deputies of the National Assembly: discuss this Bill, in the light of its significance and importance, and in the awareness of your high responsibility! Remember that the People is the only source of power in our people's democratic Republic! It is the duty of you, its elected representatives, to do its will and to ensure that your enactments help to create and safeguard a happy future for the people and the nation.

(Address delivered by the Prime Minister, Mr. Antonín Zápotocký, on the occasion of presenting the Government Bill of the First Five-Year Economic Plan of Development of the Czechoslovak Republic, in the plenary session of the National Assembly of October 7, 1948.)

THE FIVE-YEAR PLAN ACT

ACT No. 241
RELATING TO THE FIRST FIVE-YEAR ECONOMIC PLAN OF DEVELOPMENT OF THE CZECHOSLOVAK REPUBLIC (FIVE-YEAR PLAN ACT) DATED OCTOBER 27, 1948

The National Assembly of the Czechoslovak Republic has enacted the following Act:

PART I

AIM AND CONTENT OF THE FIRST FIVE-YEAR ECONOMIC PLAN

1.

(1) Economic activity in the years 1949 to 1953 shall be governed by the five-year uniform economic plan (hereinafter referred to as the Five-Year Plan). The main purport of this Plan is the development and conversion of the Czechoslovak economy; its chief aim, based on the increased productivity of labour, is the further substantial raising of the living standard of all sections of the working population of town and country, and, on this foundation, the consolidation of the unity of the workers, the peasants, the intelligentsia and the urban middle classes.

(2) The Five-Year Plan constitutes an important step in the progress of the Czechoslovak People's Democracy towards socialism, principally in that it aims to strengthen and consolidate nationalised industry, and further, in that it will step up the mechanisation and electrification of agriculture and thus lay the foundations for the introduction of socially more advanced forms of production in this economic sector. Such capitalist elements as remain will throughout this process be progressively restricted and eliminated from all sectors of the national economy.

2.

The aim of the Five-Year Plan shall be attained through a general and constant growth of production in such manner that the national income be raised by one-half. The stability of the progress of our economy and its capacity of resistance to economic crises shall be safeguarded by means of its effective development and re-deployment, and by means of an intensification of economic relations and co-operation with States with a planned economy. The foregoing measures shall further serve to strengthen the defensive capacity of the Republic.

3.

There shall be set out in the further provisions of this Act a detailed plan for effecting a growth of production in the several sectors of the economy (part II), for the raising of the material and cultural level of the people, as a result of the growth of production (part III), the premises of the realisation of the Five-Year Plan (part IV), the distribution of the tasks of the Five-Year Plan over the planning regions, in particular with a view towards Slovakia (part V), and the means of implementing the Five-Year Plan, as well as the control and supervision of that implementation (part VI).

PART II

GROWTH OF PRODUCTION

DIVISION I

Industry and Handicrafts

4.

Industrial production shall be so stepped up that its total value in 1953 shall be 454 milliard Kčs as against 288 mil-

liard Kčs in 1948, that is an increase of 57 per cent. At the same time, and to this end, there shall be effected, in particular:

a) an accelerated development of production, primarily in the metallurgical industries, in the engineering indusries (especially in the heavy engineering sector), further in the mining and chemical industries; and there shall also take place an expansion of the sources of power, as being the basis of industrial production, through the construction of new thermal and hydro-electric power stations,

b) a progressive increase in the production of building materials,

c) an increase in the production of agricultural machinery,

d) an expansion of the production of consumer goods.

5.

There shall be produced in industry in 1953:

a) in the *mining industry*, chiefly:

hard coal	20.8 million tons
lignite (brown coal)	32.2 million tons
coke	8.0 million tons
iron ore	1.4 million tons

the gross value of the production of the entire sector shall reach 17.8 milliard Kčs as against 13.2 milliard Kčs in 1948, that is an increase of 35 per cent;

b) in the *power industry*, chiefly:

electricity	11,200 million kWh
gas	2,900 million cubic metres

the gross value of the production of the entire sector shall reach 14.1 milliard Kčs as against 9.3 milliard Kčs in 1948, that is an increase of 52 per cent;

c) in the *iron and steel industry,* chiefly:

pig-iron	2.7 million tons
crude steel	3.5 million tons
rolled iron strip	2.5 million tons

the gross value of the production of the entire sector shall reach 40.4 milliard Kčs as against 31.2 milliard Kčs in 1948, that is an increase of 49 per cent;

d) in the *engineering industries:*

in the foundry sector

products to the total value of	7.1 milliard Kčs
thereof	
castings	0.6 million tons

in the heavy engineering sector

products to the total value of	22.4 milliard Kčs
thereof	
locomotives	480
railway coaches (in terms of freight cars)	7,700

in the mechanical engineering sector

products to the total value of	13.7 milliard Kčs
thereof	
sewing machines	155,500

in the general engineering sector

products to the total value of	6.2 milliard Kčs
thereof	
agricultural machinery to the value of	2.3 milliard Kčs
central heating plants, domestic plants and mountings to the value of	1.4 milliard Kčs

in the sector of road transport and light transport vehicles and airplanes

products to the total value of	15.4 milliard Kčs

thereof	
tractors	20,000
motor lorries and cars (in terms of motor lorries . . .	24,000
motorcycles	75,000
bicycles	330,000

in the other branches of metal manufacture

products to the total value of	9.2 milliard Kčs
thereof	
enameled hardware, domestic and kitchen utensils and equipment	19.0 million kg

in the electrical engineering sector

products to the total value of	18.3 milliard Kčs
thereof	
electric motors up to 25 kW .	890,000
wireless receivers	300,000
telephones	150,000

the gross value of the production of the entire engineering sector shall reach 92.3 milliard Kčs as against 47.8 milliard Kčs in 1948, that is an increase of 93 per cent;

e) in the *chemical industry*, chiefly:

heavy chemical products to the total value of	7.8 milliard Kčs
thereof	
nitrate fertilisers	42,900 tons
phosphate fertilisers . . .	68,000 tons
pharmaceutical products to the total value of	1.7 milliard Kčs
thereof basic drugs	309,000 kg
synthetic fabrics	18,000 tons
rayon	11,000 tons
soap	53,000 tons

the gross value of the production of the entire sector shall reach 35.1 milliard Kčs as against 21.7 milliard Kčs in 1948, that is an increase of 62 per cent;

f) in the *glass industry*, chiefly:

hollow ware	137,100 tons
sheet glass	113,700 tons
small ware	9,500 tons

the gross value of the production of the entire sector shall reach 4.6 milliard Kčs as against 41.1 milliard Kčs in 1948, that is an increase of 12 per cent;

g) in the *stone, clay, and ceramics industry*, chiefly:

cement	2.6 million tons
bricks	1,300 million
tiles	214 million
lime	1.3 million tons
technical porcelain	15 million kg

the gross value of the production of the entire sector shall reach 12.1 milliard Kčs as against 7.6 milliard Kčs in 1948, that is an increase of 59 per cent;

h) in the *paper industry*, chiefly:

paper	320 000 tons
cardboard	105,000 tons
cellulose	320,000 tons

the gross value of the production of the entire sector shall reach 9.9 milliard Kčs as against 7 milliard Kčs in 1948, that is an increase of 41 per cent;

i) in the *wood (processing) industry*, chiefly:

sawn timber and logs	2.8 million cubic metres
household furniture to the value of	1.3 milliard Kčs
building construction products to the value of	0.5 milliard Kčs

commercial veneers nad cross bendings	15.2 million square metres
plywood	111,500 cubic metres

the gross value of the production of the entire sector shall reach 12.5 milliard Kčs as against 9.9 milliard Kčs in 1948, that is an increase of 26 per cent;

j) in the *textile* and *clothing industries*, chiefly:

cotton yarns	114,200 tons
woollen yarns	41,800 tons
linen yarns	12,800 tons
cotton and silk thread from .	2,500 tons of yarn
cotton, linen, and silk fabrics from	104,700 tons of yarn
woollen fabrics from . . .	30,200 tons of yarn
knitwear and hosiery from .	25,700 tons of yarn
thereof socks and stockings .	79.0 million pairs
outer garments (men's and boys')	3.8 million
outer garments (women's and girls')	6.9 million
working garments	5.4 million
underwear (men's and boys')	19.4 million
underwear (women's and girls')	6.5 million

the gross value of the production of the entire sector shall reach 77.4 milliard Kčs as agaist 46 milliard Kčs in 1948, that is an increase of 68 per cent;

k) in the *leather and rubber industry*, chiefly:

leather footwear	33.7 million pairs
lightweight shoes	8.6 million pairs
rubber footwear	30.2 mill on pairs
tyres of all kinds	7.4 million

the gross value of the production of the entire sector shall

reach 21.8 milliard Kčs as against 15.2 milliard Kčs in 1948, that is an increase of 43 per cent;

l) in the *printing, gramophone and film industries*, respectively:

in the *printing sector*, the gross value of all products shall reach 4 milliard Kčs as against 3.4 milliard Kčs in 1948, that is an increase of 18 per cent;

in the *gramophone sector*, chiefly:

gramophone records . . . . 6 million

the gross value of the production of the entire sector shall reach 660 million Kčs;

in the *film sector*, chiefly:

full-length feature films . . 56
short features 143

the gross value of the production of the entire sector shall reach 575 million Kčs as against 370 million Kčs in 1948, that is an increase of 56 per cent;

m) in the *sugar refining industry*, chiefly:

refined sugar . . . . . 790,000 tons
molasses . . . . . 183,000 tons

the gross value of the production of the entire sector shall reach 10.2 milliard Kčs as against 8.7 milliard Kčs in 1948, that is an increase of 17 per cent;

n) in the *spirit distilling industry*, the gross value of the production of the entire sector shall reach 5.6 milliard Kčs as against 5.3 milliard Kčs in 1948, that is an increase of 6 per cent;

o) in the *beetbrewing and malt industry*, chiefly:

beer . . . . . 11.7 million hectolitres
malt . . . . . 312,600 tons

the gross value of the production of the entire sector shall reach 9.6 milliard Kčs as against 5.7 milliard Kčs in 1948, that is an increase of 68 per cent;

p) in the *flour-milling industry*, chiefly:

edible wheat flour products .	600,000 tons
edible rye flour products . .	267,700 tons

the gross value of the production of the entire sector shall reach 4.7 milliard Kčs as against 3.6 milliard Kčs in 1948, that is an increase of 30 per cent;

r) in the *food industry*, chiefly:

artificial edible fats	70,000 tons
dairy butter	48,700 tons
tinned milk products	13,700 tons
fresh milk for consumption	1,125 million litres
cheese	30,200 tons
meat products to the value of	2.8 milliard Kčs

the gross value of the production of the entire sector shall reach 61.8 milliard Kčs as against 34.5 milliard Kčs in 1948, that is an increase of 79 per cent;

s) in the *tobacco and salt industries*, chiefly:

cigarettes	11,700 millions
cigars	60 millions
pipe tobacco	3,700 tons

the gross value of the production of the entire sector shall reach 12.8 milliard Kčs.

6.

(1) Handicraft production and activity shall be so stepped up that the gross value thereof in 1953 reaches 59 milliard Kčs as against 49 milliard Kčs in 1948, that is an increase of 20 per cent.

(2) The total value of 59 milliard Kčs shall be distributed as follows:

a) engineering	12.9 milliard Kčs
b) chemicals	1.3 milliard Kčs

c) glass	0.4 milliard Kčs
d) stone, clay, and ceramics . .	1.4 milliard Kčs
e) paper	0.9 milliard Kčs
f) wood processing	4.8 milliard Kčs
g) textiles and clothing	10.6 milliard Kčs
h) leather and rubber	3.7 milliard Kčs
i) flourmilling	3.8 milliard Kčs
j) food processing	16.1 milliard Kčs
k) ancillary trades	2.4 milliard Kčs

(3) The cooperative movement in handicraft production shall be further developed and improved.

DIVISION II

Agriculture and Forestry

7.

Agricultural production shall be so stepped up that its gross value in 1953 reaches 105 milliards Kčs as against 90.5 milliard Kčs (being the value prescribed under the original production plan for 1948), that is an increase of 16 per cent; and as against 76.3 milliard Kčs (being the value prescribed under the reduced production plan for 1948), that is an increase of 37 per cent. Towards this end and at the same time,

a) the growth of animal production shall be speeded up,

b) the mechanisation and electrification of agriculture shall be continued,

c) all farmers shall be enabled to use selected seeds and seedlings, and shall be ensured adequate quantities of fodder and fertilisers,

d) hydro-technical installations and the area of fisheries shall be extended,

e) the growth of all sections of the farmers' cooperative movement shall be supported.

8.

There shall be produced in agriculture in 1953:

a) in *plant production:*

on the basis of the planning of sown areas and planned yield per hectare, in particular of:

wheat	1.5 million tons
rye and mixed corn	1.0 million tons
barley	1.3 million tons
oats	1.1 million tons
maize	0.3 million tons
leguminous crops	65,000 tons
potatoes	9.7 million tons
sugar beet	5.5 million tons
oil crops	69,000 tons
mixture for seed	119,000 tons
forage crops (in terms of hay equivalent)	12.8 million tons

the gross value of the entire plant production shall reach 55.2 milliard Kčs as against 49.5 milliard Kčs in 1948, that is an increase of 11 per cent;

b) in *animal production:*

on the basis of the planning of quantity of livestock and the planned utility of domestic cattle, in particular

horned cattle fattened	366,000 tons live weight
hogs fattened	498 000 tons live weight
milk	47 million hectolitres
eggs	2 milliards

the gross value of the entire animal production shall reach 49.8 milliard Kčs as against 26.8 milliard Kčs in 1948, that is an increase of 86 per cent.

There shall be produced in forestry by the end of 1953, 55 million cubic metres of timber (in terms of units measuring not less than 7 centimetres across the smaller ends), at a total value of 18.8 milliard Kčs, whereof

	softwoods	hardwoods
	million cubic metres	
timber (in terms of units measuring not less than 7 cm across the smaller ends)	40.0	15.0
thereof		
round logs	24.0	3.2
sleepers	0.02	1.6
mine-timbers	3.4	—
bulkwood	7.7	1.1
pole-wood	0.6	0.2
other types of stacked wood for structural purposes	0.1	0.4
for fuel	4.18	8.5

Towards this end,

a) forest growth shall be renewed and non-afforested land shall be afforested,

b) a system of selective planting shall be introduced, low forests shall be converted into timber forests and pure growth shall be converted into mixed growth,

c) exhausted afforested land shall be improved and damages wrought in forests by war economy shall be made good,

d) the mechanisation of lumbering and transport shall be carried further and the network of roads and paths in forests shall be extended.

DIVISION III

Building

10.

(1) Building construction shall be stepped up so that the gross value thereof in 1953 shall reach 46 milliard Kčs. Towards this end, in particular

a) support shall be given to the progressive transformation of building to an industry which shall be mechanised to the highest possible degree, and which shall utilise standardised construction parts, in particular mass-produced pre-fabricated ferro-concrete structural sections, so as to safeguard the planned reconstruction, development and conversion of all sectors of our economy,

b) the production of standardised structural components shall be introduced and fully developed so as to reach in 1953 the total level of 1.3 million tons at a value of 1.2 milliard Kčs

(2) Over the period of the Five-Year Plan, building construction shall reach a total value of 176.9 milliard Kčs, whereof new buildings shall account for approximately 135 milliard Kčs.

(3) The global target of 176.9 milliard Kčs shall be broken up into specific construction targets for the various sectors of the economy, as follows:

a)	industry and handicrafts . .	44.6 milliard Kčs
b)	agriculture	11.8 milliard Kčs
c)	building	0.7 milliard Kčs
d)	transport . . . . . (1.2 milliards of which shall be spent on the postal services)	23.1 milliard Kčs
e)	commerce and tourist traffic .	1.9 milliard Kčs

f)	house-building	39.3 milliard Kčs
g)	social, health and cultural purposes	14.4 milliard Kčs
	itemised as follows:	
	social	4.3 milliard Kčs
	health and National Insurance	5.0 milliard Kčs
	culture	5.1 milliard Kčs
h)	roads and bridges, hydrotechnical installations and other projects of the public administration	41.1 milliard Kčs.

DIVISION IV

Transport

11.

Transport capacity shall be so stepped up that the total capacity in 1953 shall exceed the total capacity in 1948 by 40 per cent. To this end there shall be ensured, chiefly by means of an effective distribution of the total capacity over the several sectors (in particular the rail and road sectors) that the transport capacity be adequate to meet the requirements of increased economic activity.

12.

The transport capacity shall be stepped up in the various sectors in 1953

a) in *rail transport*

freight transport shall reach 17 milliard ton-kilometres net (that is an increase of 39 per cent as against 1948), and shall carry 100 million tons of goods and travel 56 million kilometres;

steam-propelled *passenger transport* shall travel 70 million kilometres (that is an increase of 11 per cent over 1948)

and motor-propelled passenger transport shall travel 32,6 million kilometres (that is an increase of 80 per cent over 1948). The total rail passenger transport capacity shall thus be increased by 27 per cent over 1948;

b) *municipal transport*

shall carry 1,075 million passengers (that is an increase of 19 per cent over 1948) and shall travel 104 million kilometres;

c) in *road transport*

freight haulage shall reach a capacity of 441 ton-kilometres net (that is an increase of 39 per cent over 1948) and shall carry 26,3 million tons of goods and travel 224 million kilometres;

passenger transport shall carry 307 million passengers (that is an increase of 36 per cent over 1948) and shall travel 127 million kilometres;

d) in *river transport*

the capacity shall be increased by 70 per cent over 1948;

e) in *air transport*

13,6 million kilometres shall be flown (that is an increase of 120 per cent over 1948).

13.

In postal transport there shall be over the period of the Five-Year Plan

a) newly installed

telephone services in 6,155 parishes, so that the number of parishes connected to the telephone grid shall be greater by 61 per cent than in 1948;

120,000 subscribers' telephones, so that the number of telephones installed shall be greater by 54 per cent than in 1948;

b) the telegraph services further developed;

c) the mechanisation and motorisation of all telephone services further developed.

DIVISION V

Internal Trade

14.

The effective and economical organisation of internal trade, based primarily upon the socially more advanced forms of distribution, shall ensure the adequate circulation of commodities, in keeping with the planned rate of economic growth. Internal trade shall be so directed on a planned basis as to ensure a constant flow of consumer goods, especially among the working population, and so as to extend and improve progressively the services rendered.

PART III

RAISING OF THE MATERIAL AND CULTURAL LEVEL OF THE PEOPLE

15.

(1) The aim of the development of production under the Five-Year Plan is to raise the material and cultural level of the people in such a manner that their mental and physical capacities may develop to the fullest extent.

(2) At the same time and to this end, consumption, wages, and earnings in general, as well as prices, shall be so planned that the living standard of each citizen progress in proportion to his achievement and desert.

(3) So as to contribute towards the raising of the material and cultural level of the people, there shall be stepped up progressively:

a) social consumption; that is to say, the social services of the public administration, being social, health, and cultural and educational care (sections 16 to 18), shall be expanded and improved;

b) individual consumption; that is to say, the quantity and the quality of consumer goods on the home market, and the services rendered (sections 19 and 20), shall be progressively raised and improved.

(4) Total social and individual consumption, wherein the raising of the living standard is directly manifest, shall increase over the period of the Five-Year Plan, at the same time assuming the anticipated increase in the productivity of labour (section 21), on an average by 35 per cent per head.

DIVISION I

Social Consumption

16.

Social Welfare

(1) In order that the growth of the working capacity of the population be fully assured, and thereby also its living standard be raised, the social services shall be further developed through the expansion of existing and the introduction of new social facilities; at the same time, social welfare shall be improved and rendered more economical.

(2) In particular, the following improvements as against 1948 shall be effected up to the end of 1953 in the several spheres:

care of employed women:

a) 15,400 additional children shall be accomodated in crêches and day nurseries,

6,375 additional children shall be accomodated in permanent homes:

b) 180,000 additional children shall be catered for in school canteens;

c) an additional 11 million kg of laundry shall be washed in cooperative laundries;

care of working youth:

50,000 additional persons shall be accomodated in youth hostels;

recreational care:

200,000 additional children, 48,000 additional working youths, and 300,000 additional adults shall be accomodated in recreation centres;

institutional care of youth:

accomodation shall be increased:
in children's homes by 3,500 beds,
in hostels attached to schools for defective children by 240 beds,
in institutions for physically defective young persons by 1,030 beds.

(3) National Insurance shall:

a) ensure to all persons medical care and treatment and endeavour to provide such care and treatment in keeping with the contemporary level of medical science; for the implementation of this task there shall be set aside 9.5 milliard Kčs in 1953 as against 4.3 milliard Kčs in 1948, that is an increase of 121 per cent;

b) secure to all persons who are, through no fault of theirs, incapable for work, a more appropriate standard of living; there shall be set aside for the implementation of this task 22.8 milliard Kčs in 1953 as

against 12.5 milliard Kčs in 1948, that is an increase of 82 per cent;

c) endeavour through the constant improvement of medical care to eliminate production losses arising out of reduced capacity for work;

d) contribute towards the elimination of production losses by bringing the services of National Insurance within closer reach of the working population, primarily through the establishment of branch offices of the district national insurance institutions outside the latters' headquarters.

(4) There shall further be devoted greater and more systematic care to:

a) the socio-political enlightenment of employed persons, and their vocational education and re-education, technical and specialised training, initial training and retraining for different occupations;

b) the effective and hygienic equipment of places of work;

c) the planned construction of health and technical protective equipment and facilities, the development and perfection of the unified State supervision of safety measures in all types of work, as well as an increase in the number of works doctors and safety technicians, and other health and social welfare personnel at places of work; the enlightenment of workers regarding accident prevention;

d) the improvement of transport to and from work;

e) an increase in the number of persons catered for by works canteens;

f) the improvement and extension of institutional care for elderly persons, persons who are incapable for work, and physically defective persons.

17.

Health Service

(1) The raising of the health standard of the population shall be attained through planned preventive and medical care. At the same time and to this end,

a) 119 health centres (regional, district, and branches in health districts), 51 National Insurance policlinics (regional, district, and branches), 129 national health institutes (regional, district, and branches), shall be established;

b) 7,800 beds in hospitals and specialised institutions of treatment shall be provided;

c) 14 mother-and-child clinics with a total of 800 beds for infants and 360 beds for mothers shall be established;

d) the number of beds in convalescent homes and preventive medical institutes (institutes for calmettisation) shall be raised by an additional 730;

e) an additional 80 beds shall be established at the Institute for the Treatment of Infantile paralysis at Janské Lázně, and a further institute of 100 beds shall be built;

f) 8 veterinary research and diagnostic institutes shall be established, and existing institutes further developed;

g) the number of medical practicioners shall be increased by 5,350, of social health workers (female) by 2.800, of nurses by 5.870, of obstetric assistants by 1270, and of other health workers by 3,300.

(2) Care for the health of the people shall be further provided by the departments for public hygiene, for epidemiology, for other preventive medicine and health care, by the training and enlightenment of the population in health matters, the correct distribution of health workers,

the improved production and distribution of drugs, health measures in the sphere of nutrition and veterinary health work.

18.

Culture and Education

(1) The cultural level of the people shall be raised by planned educational and instructional service, and by the planned extension and improvement of existing, and the establishment of new cultural facilities. In particular, the following improvements shall be effected to this end:

a) in school instruction
the number of classrooms shall be increased by 3,700,

b) in science, art and cultural monuments
the establishment and equipment of scientific and technical libraries, museums, picture galleries, theatres and concert halls shall be carried further,

c) in popular education and enlightenment
58 houses of culture, 62 popular education halls, and additional travelling libraries shall be erected or established by means of adaptation and conversion,

d) in films
the number of cinemas shall be increased by 1,380,

e) in radio
the building and equipment of two radio centres shall be continued, and two additional radio centres established, and centres for short-wave and long-wave transmission shall be created,

f) cultural facilities at places of work
works libraries, cinemas and physical culture facilities shall be established.

(5) Towards the support of physical culture a Tyrš University School of Physical Culture, and 1000 gymnasiums, 2,700 sports grounds, 40 swimming pools, and 15 physical training centres shall be established.

DIVISION II

Individual Consumption

19.

Food Consumption

(1) Adequate and correct nutrition shall be provided through a gradual increase of the quantity and constant improvement of the quality of the food products on the home market. At the same time, and to this end, the consumption of higher-grade food products, such as milk, fats, pork, eggs, cheese and white bread (rolls) shall primarily be stepped up.

(2) There shall be delivered for the home market in 1953 food products, in quantities exceeding the quantities delivered in 1948, as follows:

Dripping	by	67,000 tons
milk and dairy produce (in terms of milk) . . .	by	22.5 million hectolitres
meat	by	289,000 tons
eggs	by	1 milliard
sugar	by	206,000 tons
wheat flour	by	194,000 tons

(3) The catering service in works and school canteens, and the number of existing canteens shall be further expanded.

20.

Individual Consumption of Other Products

(1) In order to supply the population's essential necessities, the quantity of consumer goods other than food products destined for the home market shall be progressively increased and their quality systematically improved.

(2) There shall be delivered in the home market in 1953 consumer goods, in quantities exceeding the quantities delivered in 1948, as follows:

woollen fabrics (in weight of yarn)	by	9,700 tons
cotton fabrics (in weight of yarn)	by	25,660 tons
silk and semi-silk fabrics . . .	by	27.4 million metres
footwear	by	14.3 million pairs
chief classes of metal goods, in terms of money value . . .	by	2.6 milliard Kčs
household furniture in terms of money value	by	1 milliard Kčs
utility glassware, in terms of money value	by	270 million Kčs

(3) The standard of housing accomodation shall be raised through the extension, by means of new building or adaptation, of the living area by 9.7 million square metres.

PART IV

PREMISES OF THE REALISATION OF THE FIVE-YEAR PLAN

DIVISION I

Productivity of Labour and Production Economy

21.

Productivity of Labour

(1) The realisation of the Five-Year Plan is conditional upon heightened responsibility and initiative on the part of every individual worker and of the broad masses of the working population, and upon an increase in the productivity of labour. The productivity of labour shall be raised in industry by 32 per cent, in building by 53 per cent, in agriculture and forestry by 20 per cent, and in transport by 30 per cent.

(2) The united trade union organisation and its branches as well as managements of works and enterprises, offices and institutions, shall endeavour in constant mutual co-operation to secure an increase in working efficiency chiefly by means of:

a) political and economic enlightenment of employees,
b) supporting the creative initiative of workers,
c) an extension and intensification of working competition within and among enterprises,
d) constant recruitment of capable employees for the purpose of training for positions of greater responsibility and leadership,
e) the perfection of efficiency standards and transition to a system of progressive piece-work rates,
f) the utilisation of new production methods,
g) improvements in the organisation of work in accordance with the principles of scientific production layout,
h) an improvement of technical safety measures, and social and health facilities at work,
i) endeavouring to eliminate absenteeism and the undesirable fluctuation of labour.

22.

Increase of the Labour Force

(1) All Czechoslovak citizens shall share equally in the implementation of the tasks prescribed under the Five-Year Plan. In all works and offices not more than an absolutely essential number of workers shall be employed at suitable posts, and working hours shall be utilised to a maximum.

(2) In order to ensure the fulfilment of production targets, the labour force in the national economy shall be increased by 5.6 per cent over 1948, that is to say, the number of persons employed in industry shall be increased

by 18.5 per cent, and the number of persons employed in the building industry shall be increased by 50 per cent over 1948.

(3) New labour shall be recruited by means of

a) the planned influx of young persons,
b) an increase in the number of employed women,
c) recruitment of persons not hitherto working,
d) support of re-immigration,
e) the employment of persons with reduced capacity for work,
f) utilisation of labour in economically backward areas, through the creation of opportunities of work in these areas,
g) utilisation of redundant or expendable labour for the tasks of the Five-Year Plan.

(4) The training of young workers shall be carried out in a new, progressive manner, primarily through the universal establishment of special technical training centres, which shall serve as one of the means towards creating reserves of labour.

23.

Raw Materials, Ancillary Materials and Power

(1) Raw materials, ancillary materials and power required for the fulfilment of production targets under the Five-Year Plan shall be met under conditions of a constant improvement of economy in the consumption thereof.

(2) Economy in the consumption of raw materials, ancillary materials and power shall be effected in particular by means of

a) the constant supervision and technical maintenance of all equipment whereby raw materials, ancillary materials and power are, as the case may be, produced, processed, or distributed,

b) the systematic elimination of waste in the consumption of raw materials, ancillary materials and power, and a reduction of the quantity of scrap and rejects,
c) an appropriate and economical choice of raw materials and ancillary materials, as well as of synthetic materials, in accordance with binding consumption standards for the consumption of raw materials, ancillary materials and power,
d) the maintenance of adequate reserves of raw materials and ancillary materials in accordance with binding standards and regulations relating thereto,
e) organised collections and full utilisation of scrap and other waste materials,
f) the full utilisation of all local resources of raw materials, ancillary materials and power,
g) an elimination of wasteful transfers of raw materials, ancillary materials and power from the place of output or manufacture thereof to the place of utilisation,
h) planning, regulation and control of the quality of products,
i) systematic and constant care of all inspection and testing equipment and other workshop aids.

DIVISION II

Investment

24.

(1) For the purpose of ensuring economic progress there shall be invested over the period of the Five-Year Plan a total sum not exceeding 336.2 milliard Kčs.

(2) Of the total investment of 336.2 milliard Kčs, there shall be invested in

a) industry	131.9 milliard Kčs
b) agriculture	26.8 milliard Kčs
c) building	4.6 milliard Kčs

d)	transport	52.9 milliard Kčs
e)	commerce and tourist traffic .	5.0 milliard Kčs
f)	housing	39.3 milliard Kčs
g)	social welfare	8.1 milliard Kčs
h)	health services and National Insurance	10.3 milliard Kčs
i)	cultural services	10.2 milliard Kčs
j)	roads and bridges, hydro-technical installations, public building projects and other investments of the public administration	47.1 milliard Kčs.

(3) In addition thereto, 5 milliard Kčs shall be devoted to the furtherance and improvement of parishes and districts, which shall be carried into effect without withdrawals of labour and with a minimum consumption of such raw materials as are important for other tasks of the Five-Year Plan.

(4) Capital development shall be carried out only where the tasks set by the Five-Year Plan cannot be met even with the fullest utilisation of productive capacity (comprising, in particular, the introduction of additional shifts), and where the said investments are wholly essential for the development and conversion of the economy. The distribution of investments shall be carried out with a view to the requirements of the balanced development of all planning regions.

DIVISION III

Works Organisation

25.

Works organisation shall be so improved and perfected as to contribute towards greater efficiency in all sectors

of the economy, and to greater economy in individual enterprises, as well as to the improvement of the quality of products and services. In particular,

a) works organisation shall be developed and intensified according to the principles of scientific production layout,

b) the production programmes of industrial enterprises and the programmes of activity of other enterprises shall be simplified,

c) the standardisation of products and components shall contribute to the simplification of industrial production programmes,

d) the uniform organisation of works accountancy shall be further developed, facilitating the introduction in industrial enterprises of advance production budgets and the planned reduction of production costs.

DIVISION IV

Foreign Trade

26.

(1) Foreign trade shall be so organised and directed that by means of essential imports the implementation of the targets set by the Five-Year Plan be ensured, and that by means of exports, the expenditure incurred through imports be defrayed and the national budget balanced.

(2) Foreign trade shall be so stepped up in all its aspects that its volume shall increase in 1953 by approximately 40 per cent as against 1948. At the same time there shall be ensured, by means of long-term economic agreements—in particular with the countries with planned economies—the constancy of our economic progress and the resistance of our economy against crises.

DIVISION V

Intensification of Research

27.

(1) Research, in particular technical, economic, social and health research, shall contribute towards the full development of the national economy, the fullest utilisation of resources of all kinds and the purposes of economic planning.

(2) With a view towards the requirements of research, scientific work shall be coordinated in research institutions, scientific institutes shall be established and increased care shall be given to the training of scientific workers. There shall further be ensured that scientific research be as close as possible to practice. Research shall be effectively centralised, and shall be equipped with adequate financial resources.

DIVISION VI

Perfection of Planning Methods, Organisation and Technique

28.

(1) Planning methods and technique shall be broadened to include production accountancy (which latter shall serve to contribute towards the greater precision of planning) and shall cover all sections of the planning service.

(2) By means of the planning of incomes, prices, taxes, consumption, and trade, there shall further be ensured that a proper balance be maintained between the increased cash earnings of the population and the planned increase in the supply of consumer goods and services. Planning methods and technique shall be further perfected by the planning of production and distribution costs. The preparation of financial plans shall be safeguarded and the financial super-

vision of enterprises shall be facilitated thereby. Towards this end production accountancy shall be more fully introduced and extended to hitherto neglected sectors, and local planning of work in individual enterprises shall be perfected. The premises for the preparation of global financial plans shall thus be laid.

(3) A further premise of the realisation of the Five-Year Plan is the simple and efficient organisation of the planning service. Simultaneously with the reorganisation of the central planning service the branch and regional sectors thereof shall be developed. The training of an adequate reserve of planning personnel shall be secured by means of systematic economic enlightenment and training.

PART V

REGIONAL PLANNING UNDER THE FIVE-YEAR PLAN

DIVISION I

Economic Development of the Planning Regions

29.

(1) It is the aim of the Five-Year Plan gradually to attain a balance of the economic levels of the regions, which will contribute towards the balancing of standards of living in all parts of the State.

(2) Regional progress shall be achieved chiefly by means of an effective distribution of production and investment targets under the Five-Year Plan. Towards this end,

a) priority in the allocation of production and investment targets shall be given to economically backward regions, provided that the realisation of the Five-Year Plan is not jeopardised thereby,

b) production equipment in all regions shall be fully

utilised and new equipment shall be allocated to those regions where the greatest facility for the utilisation of local resources (labour, raw materials, power, transport, etc.) exists,

c) excessive concentration of production and investment targets in regions or centres of production in which that concentration may jeopardise the realisation of the Five-Year Plan or the attainment of its aims, shall be guarded against,

d) in regions where conditions are not propitious for the development of any other economic activity, all existing facilities shall be utilised for the promotion of tourist traffic and for the recreation of the working population,

e) the development of towns and villages shall proceed on modern principles of town and country planning,

f) a systematic investigation shall be carried out in all regions, with a view towards their economic and natural potentialities or resources, and to their economic and social requirements.

DIVISION II

Economic Development of Slovakia

30.

The economic progress of Slovakia shall be accelerated by a gradual transformation of the economic and social structure of that country. This conversion shall be carried into effect chiefly by means of:

a) a continuation of the industrialisation already begun,

b) raising the productivity of labour in agriculture,

c) a broader distribution of cadres of skilled workers, chiefly of those qualifications which are essential for the development of industrial production over all economic sectors,

d) an intensive investigation of all natural resources in Slovakia, in particular of mineral resources.

31.

Growth of production and the raising of the material and cultural level of the people under the Five-Year Plan shall be secured,

1. *in industry:*

a) by stepping up production so that its gross value in 1953 will exceed that of 1948 by 75 per cent,

b) by creating approximately 90,000 new opportunities for work;

2. *in agriculture:*

a) by so stepping up total output that its gross value in 1953 will reach 27.4 milliard Kčs, that is an increase over 1948 of 37 per cent,

b) by so stepping up animal production that its gross value in 1953 will exceed the gross value thereof in 1948 by 98 per cent, and the share of animal production in the total agricultural production shall be raised by 42 per cent,

c) by the rationalisation of agricultural production, increasing mechanisation and the productivity of land and the utility of domestic cattle, the unification of scattered holdings, the determination of the boundaries of pastures and forests, the introduction of effective cultivation on land given over to pasture and the afforestation of land unsuitable for cultivation;

3. *in building:*

a) by so stepping up production that the gross value thereof in 1953 will reach 15 milliard Kčs,

b) by increasing the labour force by an additional 35,000 workers;

4. *in housing and in the social, health and cultural services:*

a) by increasing the housing area through new construction or adaptation by 3.39 million square metres,

b) by accommodating an additional 14,500 persons in youth hostels, the establishment of crêches with an additional 2,650 beds, seasonal children's hostels to cater for an additional 5,000 children, and school canteens to cater for 70,000 children,

c) by the enlargement of hospitals by an additional 3,400 beds, of special institutes of treatment by an additional 500 beds, the establishment of an additional 420 beds in infant institutions, the erection of 5 calmettisation centres with 250 additional beds, the establishment of an institution for the treatment and cure of infant paralysis, with a capacity of 100 beds, the creation of 36 health centres and 86 branches of the National Health Institute,

d) by an increase in the number of classrooms by 2,080; in the university sector, in particular by the development and completion of technical universities at Bratislava and Košice, of a medical faculty at Košice, of new institutes attached to the medical faculty at Bratislava and of a school of music at Bratislava.

32.

(1) To safeguard the fulfilment of production targets and of the conversion of the economic and social structure there shall be invested over the period of the Five-Year Plan a total sum of 96.2 milliard Kčs, that is 28.6 per cent of the total national investment.

(2) Of the total sum of 96.2 milliard Kčs there shall be invested in

a) industry 30.9 milliard Kčs, or 23.4 per cent of the national investment in this sector;

b) agriculture 9.8 milliard Kčs, or 36.5 per cent of the national investment in this sector;

c) building 1.6 milliard Kčs, or 34.8 per cent of the national investment in this sector;

d) transport 13.9 milliard Kčs, or 26.3 per cent of the national investment in this sector;

e) housing reconstruction 13.7 milliard Kčs, or 34.9 per cent of the national investment in this sector;

f) commerce and tourist traffic, social and health services, National Insurance and cultural services 10.9 milliard Kčs, or 32.5 per cent of the national investment in this sector;

g) roads and bridges, hydro-technical installations, public building projects and other investments of the public administration 15.3 milliard Kčs, that is to say, 32.4 per cent of the national investment in this sector.

33.

The provisions of section 29, relating to regional economic development, shall be understood to apply equally to the economic development of Slovakia (sections 30 to 32).

PART VI

REALISATION OF THE FIVE-YEAR PLAN

DIVISION I

Operative Plans

34.

(1) For the purpose of realising the Five-Year Plan the Government shall draw up annual, or, as the case may be, quarterly operative plans, wherein the tasks allotted for the said period shall be set out.

(2) The carrying out of the tasks set out in parts II to V shall be ensured by means of the operative plans so that all sectors of the economy progress, with a view towards the Five-Year Plan, in mutual harmony, and so that the implementation of the Five-Year Plan may be adapted to altered circumstances. In the drawing-up of the operative plans, particular attention shall be paid to all possible sources of new reserves of labour and the recruitment thereof, and thus to the possibility of exceeding the targets prescribed under the Five-Year Plan.

(3) The Government shall, with a view towards the provisions of sections 21 to 33, take all further steps necessary for the realisation of the tasks prescribed by the operative plans.

DIVISION II

Implementation of the Operative Plans

35.

Functions of the Prime Minister

The Prime Minister shall arrange to obtain a systematic and continuous survey of the implementation of the Five-Year Plan and shall balance and harmonise the administrative and economic measures taken by the central authorities towards the carrying into effect thereof.

36.

Tasks of the Central Authorities

It shall be the duty of the central authorities to subordinate to the Five-Year Plan such aspects of their activity as affect its implementation. For the purpose of ensuring the implementation of the Five-Year Plan, the central authorities or the authorities (organs) authorised by them, shall within their respective spheres of competence, allot

the tasks prescribed by the operative plans, insofar as the Government does not prescribe otherwise. The central authorities shall within their spheres of competence take steps to ensure that in accordance with the relevant provisions all measures required towards the successful implementation of the operative plans be taken.

37.

Tasks of the National Committees

(1) The national committees shall participate in the drawing-up of the operative plans (section 34). It shall further be the duty of the national committees to participate in the implementation of the Five-Year Plan and within the framework thereof to plan, carry into effect and supervise economic, social and cultural development within their territories. The national committees shall in the operation of this function be subject to the instructions and directives of the superior national committees and other authorities.

(2) There shall be established and attached to the Regional or, as the case may be, the District National Committees, organs of the regional planning service (section 28, subsection 3), which latter shall in the preparation of regional plans rely on the direct participation and initiative of the working population and of the national committees.

(3) The structure and tasks of the organs of the regional planning service shall be prescribed by way of Government Order.

38.

Tasks of the Citizens and of the People's Associations

(1) The fulfilment of the tasks set by the Five-Year Plan shall be the civic and honourable duty of every individual, for the realisation of the Plan and thus the general progress of the economic strength of the State and of the standard of living of each citizen are conditional upon the proper

and honest carrying out of the work. It shall therefore be the duty of every one who is allotted any task soever in the implementation and realisation of the Five-Year Plan, to carry out that said task conscientiously and economically to the limit of his personal and economic capacities. Persons and bodies corporate shall be liable to adapt their economic activity to the Five-Year Plan.

(2) The united trade union organisation shall participate in the preparation, implementation and supervision of the Five-Year Plan. Details shall be regulated by Government Order.

(3) The farmers' unions and the branches thereof, the Central Cooperative Council, and all other people's associations of wide popular scope shall within their respective spheres of competence endeavour to increase the efforts devoted to the implementation of the Five-Year Plan and shall endeavour to ensure that ever greater economy is practised in the implementation of the tasks set by the Five-Year Plan.

DIVISION III

Supervision of the Implementation of the Five-Year Plan

39.

Functions of the National Assembly

The National Assembly shall pay constant attention to the implementation and realisation of the Five-Year Plan through a committee set up for the supervision of the Five-Year Plan, in particular on the basis of reports rendered to the said committee by the Government as a rule once in each quarter year, or at any time the said committee so requests.

40.

Local Control

The public administration and the national enterprises shall supervise the implementation of the Five-Year Plan on the part of subordinate bodies and shall without delay take steps to remove such defects as may arise.

PART VII

OPERATIVE REGULATIONS

41.

Operative Orders

(1) The Government may, where a substantial change occurs in the premises upon which the preparation of the Five-Year Plan was based, or where necessary for other compelling reasons, re-define the tasks allotted under the Five-Year Plan by way of Orders.

(2) The Government may by way of Order issue regulations relating to the implementation of the Five-Year Plan. It may in particular issue regulations whereby

a) essential raw materials, ancillary materials, power, semi-finished products, machinery and other equipment and consumer goods are procured,

b) the supply of manpower and legal matters connected therewith are regulated,

c) terms of production (output, processing), supply and delivery, consumption and competition are prescribed, and production, supply and delivery, and warehousing liabilities are regulated,

d) the full exploitation of economic facilities and reserves in production, transport and the circulation of commodities, and the distribution of power, are secured,

e) increased productivity, economy and improvements of the quality of products are ensured,

f) the premises upon which the implementation of the plan of foreign trade is based, are ensured,

g) the necessary conditions for the realisation of the Plan in building construction are given,

h) a survey of the premises affecting the progress of the Five-Year Plan, and the course of the implementation of the Plan, are obtained,

i) the principles of the distribution of production and investment tasks within the framework of regional planning are set out,

j) the allotment of tasks among individual enterprises, or, as the case may be, persons, is regulated.

(3) Government Orders under subsection 2 of this section may delegate detailed provision to the general administrative regulations of Ministries, national committees, as well as of other authorities.

(4) Individual Ministers may issue regulations by way of Order for the implementation of the Five-Year Plan, provided that the said Orders regulate matters set out in subsection 2, paragraphs a) to j) of this section.

(5) Economic measures of a general nature such as the central authorities are empowered to take under other legal powers, shall only be taken in concurrence with the Prime Minister insofar as they affect the preparation or implementation of the Five-Year Plan.

42.

Powers of the Government

(1) The Government is hereby empowered during the period ending on December 31, 1953 to take by way of Orders measures necessary for the realisation of the tasks

prescribed by the Five-Year Plan, including such measures as would otherwise require enactment. Such measures shall be countersigned by the President of the Republic and shall require his concurrence.

(2) The power conferred under subsection 1 of this section shall not relate to:

a) the regulation of Constitutional matters,

b) the adoption of the State Budget, the negotiation of loans and the regulation of the State debt,

c) the regulation of taxes, customs duties, dues and other public levies within the sphere of the State finance administration, or to the regulation of the State financial monopolies,

d) the regulation of currency matters.

(3) The Government shall be liable to place Orders issued under subsection 1 of this section before the National Assembly within one month after the date of publication. Where the National Assembly in a ballot taken by roll-call rejects the said Order by an absolute majority of votes, the said Order shall cease to be valid on the thirtieth day after the date of the decision, save where the National Assembly prescribes a different period. The Prime Minister shall in this event make known without delay in the Collection of Acts and Orders that the said Order has ceased to be valid, and the date on which it ceased to be valid.

43.

The provisions of section 41, subsections 2 to 5, shall be deemed to apply, where appropriate, also to measures whereby premises are to be created for the preparation and implementation of the economic plan succeeding the Five-Year Plan.

PART VIII

GENERAL AND FINAL PROVISIONS

DIVISION I

General Provisions

44.

Central Planning Commission

The Central Planning Commission (section 7 of the Decree of the President of the Republic, No. 63 Sb.,* relating to the Economic Council, dated August 25, 1945) shall during the implementation of the Five-Year Plan

a) be an advisory organ of the Prime Minister and of the Government in the realisation of all tasks under this Act, in particular in the preparation of operative plans (section 34) and Government Orders (sections 41 and 42), as well as in matters relating to prices,

b) exercise the competence of the State Statistical Council under the Act No. 49, Sb., relating to the organisation of the statistical service, dated January 28, 1919, and under the Government Order, No. 634 Sb., relating to the composition, competence and manner of proceedings of the State Statistical Council (the State Statistical Council Statute), dated November 28, 1919.

45.

Directives

The general secretariat of the Economic Council shall by way of binding directives regulate the progress of plan-

* *Sb.:* Sborník zákonů a nařízení republiky Československé = Collection of Acts and Orders of the Czechoslovak Republic.

ning operations, as well as the scope and the manner of the implementation thereof.

46.

Permanent Planning Prices

The data expressed in money values in this Act shall be understood to be expressed in prices current on January 1, 1948 (permanent planning prices).

47.

Uniform Planning Year

For the purpose of implementing the Five-Year Plan, to meet the requirements of the economic statistical service and to meet the requirements of works accounting, a uniform economic year shall be introduced. The beginning and end of the uniform economic year, the division into periods thereof, and the industries and industrial sectors to which it shall be applicable, shall be prescribed by Government Order. At the same time, the Government may adapt the regulations relating to time-limits.

DIVISION II

Final Provisions

48.

Until such time as the Regional National Committees shall begin to function and take their part in economic planning, the competence conferred upon them under this Act shall be exercised by the regional organs of the planning service, the headquarters, composition and areas of activity whereof shall be prescribed by Government Order.

Operation and Implementation

This Act shall be operative as from the day of publication; it shall be administered by all members of the Government.

(signed) *Gottwald*
Dr. John
Zápotocký

(signed) *Široký*
also on behalf of the Minister
Dr. Clementis
Fierlinger
Dr. Ševčík
also on behalf of the Minister
Dr. Šrobár
arm. gen. *Svoboda*
Dr. Gregor
Nosek
Dr. Dolanský
Dr. Nejedlý

(signed) *Dr. Čepička*
Kopecký
Kliment
Ďuriš
Krajčír
Petr
Dr. Ing. Šlechta
Dr. Neuman
Erban
Plojhar
Ing. Jankovcová

TABLE OF CONTENTS
OF THE FIVE-YEAR PLAN ACT*

Section		Page
1—3	Part I	
	Aim of Contents of the Act	25
4—14	Part II	
	Growth of Production	26
4—6	Division i: Industry and Handicrafts	26
7—9	Division ii: Agriculture and Forestry	34
10	Division iii: Building	37
11—13	Division iv: Transport	38
14	Division v: Internal Trade	40
15—20	Part III	
	Raising of the Material and Cultural Level of the People	40
16—18	Division i: Social Consumption	41
19—20	Division ii: Individual Consumption	46
21—28	Part IV	
	Premises of the Realisation of the Plan	47
21—23	Division i: Productivity of Labour	47
24	Division ii: Investment	50
25	Division iii: Works Organisation	51
26	Division iv: Foreign Trade	52
27	Division v: Research	53
28	Division vi: Planning	53

* This Table of Contents is not part of the Act but has been compiled from Section-headings for this edition.—Tr.

Section		Page
29—33	Part V	
	Regional Planning	
29	Division i: Planning Regions	54
30—33	Division ii: Slovakia	55
34—40	Part VI	
34	Division i: Operative Plans	58
35—38	Division ii: Implementation of Operative Plans .	59
39—40	Division iii: Supervision	61
41—43	Part VII	
	Operative Regulations	62
44—49	Part VIII	
	General and Final Provisions	65
44—47	Division i: General Provisions	65
48—49	Division ii: Final Provisions	66

CONVERSION TABLE
WEIGHTS AND MEASURES

1 Centimetre (cm) — 0.393 in.
1 Metre (m) — 39.37 ins. — 1.09 yds.
1 Kilometre (km) — 0.62 mile.
1 Squ. Cm. — 0.155 squ. in.
1 Squ. M. (Centiare) — 1.196 squ. yds.
1 Hectare (ha) — 100 Squ. Ms. — 2.471 acres.
1 Squ. Km. — 247.1 acres.
1 Cub. M.* — 114.28 cub. ft.

•

1 Kilogramme (kg) — 2.2 lbs.
1 Metric Cent. (q) — 100 Kgs. — 220 lbs.
1 Metric Ton (t)** — 1,000 Kgs. — 2,204.6 lbs.
1 Litre (l) — 0.22 gal. — 0.35 cub. ft.
1 Hectolitre (hl) — 100 Lit. — 22 gals.

•

1 £ sterling — 200 Kčs approx.
1 US $ — 50 Kčs approx.

---

* In the timber trade, the term "Full Metre" *(plm)* is used to denote a volume of 1 Cub. M. filled with lengths of timber of standard size (i. e. 7 cm. across the smaller ends).

** In agriculture &c., the term "freight car" *(vagon)* is frequently used and equals 10 Metric Tons.—Tr.

CONTENTS

Page

Introduction, by the Prime Minister Mr Antonín Zápotocký 7

The Five-Year Plan Act 23

Appendix: Table of Contents of the Five-Year Plan Act 69

Weights and Measures 71

A second edition, extended by the Government Memorandum to the Five-Year Plan Act, will be published shortly.

THE FIRST CZECHOSLOVAK ECONOMIC FIVE-YEAR PLAN ACT

Translated from the Czech by F. O. Stein. Cover Design by Josef Istler
Published by the Czechoslovak Ministry of Information and Public Culture
First Edition, December 1948. Printed by Orbis, Prague